



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING




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SUPERINTENDENT OF
PUBLIC INSTRUCTION

March 30, 2009

MEMORANDUM

TO: State Board of Education

FROM: Mike Flanagan, Chairman 

SUBJECT: Presentation on Financial Literacy

In 2002, Section 1165 of PA 111, required the Michigan Department of Education (MDE) to develop and make available to schools one or more model programs for youth financial education. Adopted programs were required "to incorporate financial education throughout the curriculum for grades K to 12 and be based on the concept of achieving financial literacy through the teaching of personal financial management skills and the basic principles involved with earning, spending, saving, borrowing and investing."

This requirement was fulfilled and the document *Financial Literacy Resource Guide for Kindergarten to Grade 12* has been available for teachers at www.michigan.gov/socialstudies since 2002. The document provides teachers with low cost or free quality resources to teach financial literacy. The Financial Literacy advisory group used two criteria for selecting financial literacy models:

- alignment to Michigan Department of Education's benchmarks and standards, and
- alignment with one or more of the State Board of Education's initiatives.

In December 2008, Public Act 316 amended section 1278a of 1976 PA 451 (MCL 380.1278a) adding the financial literacy course as a permissible mathematics course under Michigan merit standard for high school graduation as described in section 1165.

The topic of financial literacy is standard E4 Personal Finance included in the Economics High School Content Expectations for social studies, which includes six expectations. Personal Finance Content Expectations 4.1.1 to 4.1.6 will be included in the Secondary Credit Assessment for Economics developed by MDE for an end of course assessment for the economic credit.

As a result of the revised legislation and the adoption of new Economics High School Content Expectations for in 2007, MDE is updating the 2002 *Financial Literacy Resource Guide for Kindergarten to Grade 12*. MDE's social studies education consultant convened nine individuals interested in the field of financial literacy for K-12 students, including financial literacy project directors, bank officials, industry activists, and educators. The group established criteria (Attachment A) to review new resources, reviewed the original document and website, and will act as an ad hoc advisory group to work on the next iteration of the financial literacy resources document.

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**Review Criteria Adopted by
Financial Literacy Committee
February 18, 2009**

- 1. The materials address one or more of the National Personal Finance Standards.**
- 2. The materials clearly identify the name and contact information of the source, but do not promote a specific brand or provider.**
- 3. The publication date and any copyright restrictions, if any, are clearly stated.**
- 4. The materials are objective in content and tone, providing accurate and current information.**
- 5. The materials reflect diversity in areas such as race, gender, and income.**
- 6. The language, reading level, and writing style are appropriate for the targeted users.**
- 7. The price, if any, is reasonable when compared to similar resources.**
- 8. Teaching guides should include learning objectives, lesson plans, activities, and tools for measuring student learning as reflected in the Michigan Content Expectations for Personal Finance.**